



Citizens Bank Center
919 N. Market Street
Suite 300
Wilmington, DE 19899-2323
Tel (302) 654-7444 Fax (302) 656-8920
www.foxrothschild.com

SETH A. NIEDERMAN
Direct No: 302.622.4238
Email: SNiederman@FoxRothschild.com

February 26, 2019

BY HAND DELIVERY AND ECF

The Honorable Colm F. Connolly
United States District Judge
J. Caleb Boggs Federal Building
844 N. King Street, Unit 31
Room 4124
Wilmington, DE 19801-3555

**Re: *Yucaipa American Alliance Fund II, L.P., et al v.*
*ASHINC Corporation, 1:18-cv-01467 (D. Del) (CFC)***

Dear Judge Connolly:

Pursuant to Your Honor's Order dated October 18, 2018 (D.I. 6), and Oral Order dated November 14, 2018 (together, the "Orders"), the parties respectfully submit this joint status report.

On November 2, 2018, the parties participated in the scheduled mediation before Hon. Robert D. Drain of the two Related Proceedings currently pending before Judge Sontchi.¹ The parties did not reach a resolution of their dispute at this mediation, but mediation efforts are

¹ The Related Proceedings are (1) *Catherine E. Youngman, Litigation Trustee for ASHINC Corp., et al. v. Yucaipa American Alliance Fund I, L.P., et al.*, Adv. Pro. No. 13-50530 (Bankr. D. Del.), and (2) *Catherine E. Youngman, Litigation Trustee for ASHINC Corp., et al. v. Yucaipa American Alliance Fund I, L.P. et al.*, Adv. Proc. No. 14-50971 (Bankr. D. Del.).

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ongoing. The ongoing mediation efforts, however, are not delaying continued litigation of the Related Proceedings.

The parties agree that in the interest of preserving judicial resources, the above-referenced appeal should remain stayed subject to Your Honor's Orders.

The parties are available at the Court's convenience should Your Honor have any questions.

Respectfully,

/s/ Seth A. Niederman

Seth A. Niederman
DE Bar No. 4588

cc (via ECF):

Michael R. Nestor, Esq.
Michael S. Neiburg, Esq.
Mark D. Collins, Esq.